

**From:** Trombley, Shana [Shana.Trombley@vermont.gov]  
**Sent:** Friday, January 15, 2016 2:01 PM  
**To:** Pepper, James  
**Subject:** bullet points for our committee

I want to send out a list of tps for the committee (along with the list of legislators we need to contact).

I'd like to boil these down even further to 4 or 5 succinct talking points.

*In a nutshell:*

Research shows that the act of owning a small college savings account can have far-reaching and lasting positive effects. These include:

- increasing a child's performance in school;
- increasing a child's expectation of attending college;
- higher academic performance once enrolled in a higher education program;
- and improved college completion

The benefits of earning a college degree are well documented: better job opportunities, higher wages and personal growth. But paying for a college education can be a daunting challenge. That is why Vermont is launching the Children's Savings Account Program, which will establish a higher education savings account for every child born of adopted in Vermont. Each child will receive \$250 at birth and low-income children will receive an additional \$250.

The Department of Financial Regulation (DFR) has a history of supporting programs that are advantageous to the public welfare. DFR will use a portion of the fees it collects for registering mutual funds to provide funding for the CSA program. (DFR has proposed an increase in the mutual fund registration fees (from \$600 to \$1000) to be more in line with the fees other New England states charge. There has not been any increase in fees in Vermont since 2006.) This is similar to the assessment on insurance companies to the Fire Service Training Council Special Fund.

The CSA program will provide a 1:1 match up to \$250 annually -- providing a financial incentive to encourage families will income 250 percent below the federal poverty line to open an account and save. The funds for this component of the program will be raised by the philanthropic community.

Low and moderate income children with college savings of as little as \$500 are three times more likely to attend college and four times more likely to graduate from college.

The economic growth and fiscal stability of Vermont require a highly educated workforce. National data indicates that by 2020 two-thirds of all new jobs will require postsecondary education.

The Vermont Department of Labor projects that by the year 2022, Vermont will have nearly 10,000 new job openings - due to both growth and replacing retired workers - that require at least a postsecondary certificate.

Vermont must have an educated workforce that is able to fill these jobs and attract new employers and entrepreneurs whose innovations will create even more jobs and economic growth. According to the U.S. Census, only 45.5 percent of Vermont adults currently have a post-secondary degree - far short of Vermont's 60 percent goal by 2020.

A higher education is key to earning a livable wage. In 2013, U.S. adults aged 25-32 with only a high school diploma earned \$28,000 annually, 11 percent less in constant dollars than they did in 1965. In contrast, adults aged 25 to 32 with a baccalaureate degree earned \$45,5000 annually, 17 percent more than they did in 1965.

Sent from my iPad